



MSBA Update

To: Lowell School Committee

From: Jeannine M. Durkin, Superintendent

Date: April 24, 2019

Please see the attached correspondence marked Exhibit A from the Massachusetts School Building Authority (MSBA) in regards to the Lowell High School project approval on April 10, 2019.

In addition, as a part of the MSBA's Accelerated Repair Program applications that were submitted this past February 2019, the MSBA conducted six (6) site visits on Wednesday, April 24, 2019 for the purpose of touring the buildings and learning about the major issues in each building. During the visits, MSBA staff were apprised of past mitigation efforts/repairs as well as programmatic challenges the building issues have created in each of the schools. There were certain restrictions with the eight (8) application submissions due to the large number of applications that the MSBA received in this round of proposals. This is detailed in the attached document marked Exhibit B. The attachment also included a timeline and next steps following the visit. The visits were conducted at the following schools:

School	MSBA Application Submission
Bailey	Roof
Daley	Roof and Boiler Rooms
Greenhalge	Roof and Boiler Rooms
McAuliffe	Roof and Boiler Rooms
STEM Academy @ Rogers	Roof
Sullivan	Roof and Boiler Rooms

Massachusetts School Building Authority

Deborah B. Goldberg
Chairman, State Treasurer

James A. MacDonald
Chief Executive Officer

John K. McCarthy
Executive Director / Deputy CEO

April 10, 2019

Ms. Eileen Donoghue, City Manager
City of Lowell
375 Merrimack Street, Second Floor, Room 43
Lowell, MA 01852

Re: City of Lowell, Lowell High School

Dear Ms. Donoghue:

I am pleased to report that the Board of the Massachusetts School Building Authority (the "MSBA") has voted to approve the City of Lowell (the "City") for an addition and renovation project at the Lowell High School, contingent upon the City obtaining full ownership, control, and exclusive use of the site.

The Board approved an Estimated Maximum Total Facilities Grant of \$210,023,036, which does not include any funds for Potentially Eligible Owner's or Construction Contingency Expenditures. In the event that the MSBA determines that any Owner's and/or Construction Contingency Expenditures are eligible for reimbursement, the Maximum Total Facilities Grant for the Lowell High School Project may increase to as much as \$215,992,406. The final grant amount will be determined by the MSBA based on a review and audit of all Project costs incurred by the City, in accordance with the MSBA's regulations, policies, and guidelines and the Project Funding Agreement. The final grant amount may be an amount less than \$210,023,036.

Pursuant to the MSBA's regulations, the City has 120 days after the date of the MSBA's Board vote to acquire and certify local approval for an appropriation and all other necessary local votes or approvals showing acceptance of the cost, site, type, scope, and timeline for the Lowell High School Project. After receipt of the certified votes demonstrating local approval, the MSBA and the City will execute a Project Funding Agreement, which will set forth the terms and conditions pursuant to which the City will receive its grant from the MSBA. Once the Project Funding Agreement has been executed by both parties, the City will be eligible to submit requests for reimbursement for the Lowell High School Project costs to the MSBA. The Project Scope and Budget Agreement signed by the City and the MSBA will form the basis for the Project Funding Agreement.

We will be contacting you soon to discuss these next steps in more detail, but in the meantime, I wanted to share with you the Board's approval of the Lowell High School

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April 10, 2019

Lowell Project Scope and Budget Authorization Board Action Letter

Project in the City of Lowell for an addition and renovation project at the Lowell High School, contingent upon the City obtaining full ownership, control, and exclusive use of the site.

I look forward to continuing to work with you during the MSBA's grant program process. As always, feel free to contact me or my staff at (617) 720-4466 should you have any questions.

Sincerely,



James A. MacDonald
Chief Executive Officer

Cc: Legislative Delegation
The Honorable William Samaras, Mayor, City of Lowell
Kara Keefe Mullin, Assistant City Manager, City of Lowell
Vesna Nuon, Vice Chair, Lowell City Council
Conor Baldwin, Chief Financial Officer, City of Lowell
Heather Varney, Deputy Chief Financial Officer, City of Lowell
Jackie Doherty, Vice Chair, Lowell School Committee
Jeannine M. Durkin, Acting Superintendent, Lowell Public Schools
Marianne Busteed, Headmaster, Lowell High School
Mary Ann Williams, Owner's Project Manager, Skanska USA Building, Inc.
Joseph Drown, Designer, Perkins Eastman Architects
File: 10.2 Letters (Region 3)



The MSBA received eighty-three (83) Statements of Interest (“SOI”) for potential project consideration in the 2019 Accelerated Repair Program (“ARP”). For reference, in 2018, the MSBA received 60. In reviewing SOIs, the MSBA identifies the potential projects that would best fit into the ARP guidelines. Invitation into this program is based upon several items including the MSBA’s annual statutory budget cap, due diligence of the MSBA staff, a review of the entire cohort of SOIs, initial conversations and outreach with districts, and the ability of a district to adhere to the overall terms, conditions, and schedule of the ARP. The ARP is for the replacement of roofs, windows/doors, and/or boilers. The MSBA website (www.massschoolbuildings.org) has an ARP page dedicated to prerequisite documents for invited districts, the standard consultant contracts, and a sample PFA. Previous projects’ cost data can also be found on the ARP page informational purposes only as the data may have changed based on actual construction bids or contract amendments. Reviewers should contact the District for the most current information.

Terms, Conditions, and Information

- In accordance with the signed and submitted Statement of Interest, the MSBA understands that the building system(s) being reviewed meet all qualifying criteria, including the minimum threshold age requirements, to be approved at the June 26, 2019 Board of Directors meeting. Furthermore, in accordance with the 2019 Statement of Interest Overview for Accelerated Repair Program, the District acknowledges that the MSBA may need to change the qualifying criteria of each system due to the quantity of SOIs received. Only qualifying portions of systems can be eligible for reimbursement.
- Districts must comply with all MSBA rules, regulations, policies, and guidelines and use the MSBA’s standard documents, including contract, budget, and audit forms.
- Districts will be required to enter into a Project Funding Agreement (“PFA”) with the MSBA and comply with all of the terms and conditions set forth in the Agreement to qualify for reimbursement payments.
- Districts must (a) appropriate the funds necessary to complete the Schematic Design within sixty (60) days (August 26) of being invited into the ARP (June 26); and (b) appropriate funds to cover the total project budget within ninety (90) days (Spring 2020) of receiving the MSBA’s approval for a PFA. Following the SOI site visit, MSBA will request an email from the District’s Superintendent outlining when and how the District will appropriate the funds necessary to complete the Schematic Design by August 26th and confirming that a copy of the certified vote can be provided to the MSBA by September 26th.
- Districts must certify do all things necessary to complete the Schematic Design (“SD”) phase so that it may receive authorization for a PFA by the MSBA Board of Directors within twelve months of invitation.
- To expedite project delivery, the MSBA has completed procurements for Owner’s Project Managers (“OPMs”) and Designers to work with districts participating in the ARP. MSBA staff will assign both a pre-selected OPM and Designer to each district in accordance with the 2018-2020 Consultant Assignment Procedure.
- Participating districts must use the MSBA consultant assignment process and recognize that, upon assignment of consultants by the MSBA, districts are responsible for negotiating applicable fees, executing the MSBA’s standard OPM and Designer ARP contracts with each assigned consultant, and managing the performance of their assigned consultants, including OPM onsite project representative services during construction and OPM monthly reporting through final audit approval.
- Districts are required to execute the MSBA’s ARP Contract for Project Management Services with their assigned OPM, regardless of whether the estimated construction costs exceed \$1.5 million. For Districts whose project includes one or two schools, the fee for the SD phase will be an amount not-to-exceed \$15,000. For Districts whose project includes three or more schools, the fee for the SD phase will be an amount not-to-exceed \$20,000. The not-to-exceed fees do not apply if the District is estimated to have Total Project Budgets greater than \$5 million.

Massachusetts School Building Authority
Accelerated Repair Program
2019 Statements of Interest



- A proposed project for which the estimated total budget is less than \$250,000, as determined by the MSBA, shall not be eligible for the ARP in accordance with the MSBA's Cost Standards Regulations.
- When evaluating building accessibility in compliance with 521 CMR, if accessibility renovations are required because the cost of work at the school in a three-year period exceeds 30% of the assessed value of the existing building, the MSBA will not participate in the resulting accessibility renovations.
- If a project does qualify for the ARP, the scope of the project may not be fully reimbursable. Scope that may be required to complete the project but will not be eligible for reimbursement include but is not limited to: building systems in spaces deemed ineligible per MSBA Regulations, building systems beyond ARP scope, portions of invited systems that do not meet the minimum threshold age requirements approved at the June 26, 2019 Board of Directors meeting, replacement of underground fuel tanks or gas lines up to the boiler room, replacement of rooftop heating or ventilation equipment, replacement of air conditioning units or chillers, and replacement of photovoltaic panels.
- MSBA will assign a commissioning consultant to each district to provide advisory services. The MSBA pays 100% of the commissioning consultant's costs. The OPM will coordinate with the commissioning consultant following the submission of the Schematic Design through closeout.
- Districts may make monthly requests for reimbursement to the MSBA following the execution of the PFA but shall not make any requests for reimbursement that total less than \$50,000. If the total value of a request for reimbursement is less than \$50,000, the request must be held until such time as it can meet the \$50,000 threshold.